

## II. Economics

# Fighting the Malthusian ‘Green New Deal’? The BRICS Has Defeated It

by Paul Gallagher

Sept. 15—Over its entire history since the 1960s, the political movement of Lyndon LaRouche has proposed that the vast and rising energy and electricity needs of a growing human population, especially in the underdeveloped countries, be met by shifting *forward* from fossil fuel energy and power, to more energy-dense nuclear power plants and advanced nuclear technologies all over the world, as rapidly as possible with fusion power, plasma and laser industrial technologies as the goal.

Whenever the opposite, Malthusian schemes were proposed—to shut down fossil fuel production and use, and shift human economy *backward*, to low-power-density technologies to “save the planet” and stop human population growth—the LaRouche movement fought them. Since no later than LaRouche’s 1981 [memorandum](#) to a conference in Rome, “The Economic Need for Increasing the Human Population,” we have fought for the “thermodynamics of human society” requiring technologies of the highest available energy-flux density—to support a growing population and to provide the platform for the leap to still higher power density, as from fossil fuels to nuclear power, then nuclear to plasma and fusion technologies.

LaRouche’s movement has thus been fighting the

“Green New Deal” since long before Britain’s King Charles III, its instigator, formulated that name for it 15 years ago.

We can now see the expansion of the BRICS group of nations around its August summit in South Africa, as a clear defeat for that Green Deal. The bigger mission for the BRICS, and the numerous developing nations that want to join it, is the technological and educational leap to nuclear- and space-powered industrial development.



The White House

*King Charles III, Head of the Commonwealth of Nations, instigator of the Malthusian Green New Deal.*

### The Necessity for Expansion

The BRICS group’s formation in 2009–10 was the reaction of the leading developing nations to the global financial collapse of 2007–09, which spread out from Wall Street. In the wreckage of that financial blowout and the following money-printing sprees by central banks, real economic growth ended in the United States, Europe, and Northeast Asia, finished off by debt speculation on a gargantuan

scale. Instead, China and India became the world’s growth engines and infrastructure builders.

Now, the BRICS group’s expansion in 2023 to “BRICS 11” (to be formalized Jan. 1, 2024) comes in reaction to eight years of the trans-Atlantic powers’ deadly Malthusian turn following the global financial crash. That turn was the 2015 Paris Climate Agreement

and the subsequent policies of deindustrialization and disinvestment, which were intended to destroy the production and use of fossil fuels, make such reserves into “stranded assets,” and write them off, while closing off nuclear power. The world’s most Malthusian elite, the oligarchy around Britain’s King Charles III and his World Economic Forum billionaires, intended to make a vast new speculative bubble out of “modern” remakes of throwbacks—wind and solar power technologies—which would “replace” fossil fuels, and which would support only a much-reduced human population.

The name for this Malthusian plan was invented in London by or for then Prince Charles: the Green Deal, or the Green New Deal. It has lately been disguised under the more innocuous sounding term, “the energy transition.”

The speculative portfolios of solar arrays and wind turbines are not the core of the financial oligarchy’s Green Deal. That core is the drive to ban and eliminate fossil fuels and “carbonized” industry, write them off, and let the human population fall to where it may.

Lyndon LaRouche and his international movement formed the most dynamic worldwide opposition to this Malthusian nightmare. Beyond LaRouche’s movement, the strongest pole of opposition to the Green Deal was Vladimir Putin’s Russia, the world’s leading exporter both of fossil fuels and of nuclear power plants and technologies; a pioneer nation in fusion power research; and a spacefaring nation. It was, moreover, a nation which did not support, even cosmetically, the 2015 Paris Agreement or the “net zero” global committees formed in the City of London and on Wall Street by the likes of Mark Carney and Michael Bloomberg. Their Malthusian intention was clear to Russian leaders.

That Russia would thus become a target of a *world war*, was forecast publicly by Lyndon LaRouche already in 2011.

### **BRICS Has Turned the Tables**

Between 2015 and 2020, campaigns by the Wall Street-London oligarchy of King Charles III, Bank of England Governor Mark Carney, Sir Michael Bloomberg, Larry Fink of BlackRock, Inc., and assembled billionaires slashed worldwide *investment* in the

discovery, recovery, production and refinement of fossil fuels by more than half, from \$850 billion per year to about \$350 billion. A steady fall in the global *consumption* of oil and coal finally began, not in the pandemic panic month of March 2020, but in the third quarter of 2019—at the same time as major breakdowns occurred in U.S. and European interbank lending markets, requiring huge Federal Reserve injections of liquidity.

This incipient collapse of both price and production of fossil fuels, was stopped and reversed beginning April 2020, when Russian President Putin organized an intervention partnership with Saudi Arabia’s Crown



*Beyond LaRouche’s movement, the strongest pole of opposition to the Green New Deal is Vladimir Putin’s Russia. Here, President Putin welcomes Mohammed bin Salman Al Saud to the Kremlin for talks, May 30, 2017, who is today the Crown Prince of Saudi Arabia and its prime minister.*

Prince that has continued until today and restored basic stability to fossil fuel markets. First, this partnership regulated the downward slide in production to prevent a price collapse, while reorienting exports of Russia and big Middle East producers to Asian nations—China, India, Indonesia and ASEAN member countries—which were ignoring the demanded “zero-carbon” strictures on fossil fuels.

Then, worldwide consumption and production of “liquid hydrocarbons” (oil and natural gas) began to recover in early 2021, and have returned to the early 2019 levels. In 2022–23 trade in these fuels shifted sharply to Asia again: Russia’s oil exports to India more than doubled their rate; its exports of oil and natural gas to China rose by half.

In the process, room was created for other national producers to expand: To take one example, the very rapid emergence of Guyana since 2019 to the threshold of major oil-producer capacity, and to become the world's fastest-growing economy in 2022. In addition, major oil producers such as the UAE have been able to increase their refining capacity for oil distillates for industry.

As my colleague Hussein Askary shows in an accompanying article, China's President Xi Jinping's visit to Riyadh in December 2022—when he attended three Saudi and Arab summits and the Arab Business Summit—gave great impetus to “oil-for-technology” investment with Southwest Asia's oil producing nations. China's imports of Iran's oil rose to their highest level since 2013 as such an “oil-for-technology” agreement began implementation.

That visit by China's President was thus a key preparation for the BRICS expansion eight months later to include those nations.

This process is defeating the Green Deal. Consider:

World *energy* consumption has grown more than 50% since the end of 2019, driven overwhelmingly by increases in fossil fuel energy consumption—with nuclear following, although considerably behind—such that fossil fuels continue to generate 85% of world energy use. World *electricity* generation has grown much more slowly, by slightly over 5,000 terawatt-hours per year, or 20% since the end of 2019. Why? Because wind and solar “interruptibles” have accounted for 80–85% of the addition of new *installed electric capacity* around the world over those years, but have accounted for only about 2,000 terawatt-hours per year, or less than 40%, of the increase in actual *generation of electricity*.

Now the biggest “renewables” projects—the offshore wind farm projects—are beginning to wreck financially and to be abandoned off the U.S. and UK coastlines. Ørsted Energy, the world's biggest offshore wind turbine producer, is dropping its U.S. East Coast



CGTN

*The visit to Riyadh by China's President Xi Jinping was a key preparation for the BRICS' expansion eight months later to include Saudi Arabia and Iran. Here Xi is being greeted upon his arrival in Saudi Arabia, December 2022.*

projects unless the Biden Administration grants it war-time-like cost-plus subsidies. It is already “postponing” those projects until 2026, from the earlier promised 2024. Two other wind-turbine giants, Iberdrola of Spain and Sweden's Vattenfall, have already withdrawn from U.S. and UK coastal projects—a Vattenfall official saying to *Fortune*, “It doesn't make sense to continue.” Ørsted CEO Mads Nipper was unusually frank about the Green Finance bubble, telling an investor conference call in August, according to Bloomberg,

The situation in U.S. offshore wind is severe. [It is] a warning sign that the green energy revolution bubble is in trouble.

Whereas two years ago the annual global climate conference in Scotland, COP26, was headed by the British MP and imperialist think-tank leader Alok Sharma, this year's COP28 in October will be chaired by the CEO of the United Arab Emirates' national oil company, Sultan al-Jaber.

### **Center of Physical-Economic Productivity**

With the BRICS' expansion to “BRICS 11,” this group of nations now has four of the world's five largest fossil fuel exporters—Russia, Saudi Arabia, Iran, and the United Arab Emirates—firmly oriented to two of the three largest importers of the same (in 2023, China and India may be #1 and #2). This shift



facilitates trade in the national currencies of the importers in particular. Trade in the “currency of oil” transforms into trade in the “currency” of nuclear capital goods, “laser-like” capital goods, scientific advancement of human beings.

“BRICS 11” also has the world leader in nuclear technologies and export, Russia; the most rapidly advancing fusion R&D program, that of China; and four, and soon to be five, spacefaring nations which have partnerships with each other and with NASA. It has in Brazil the world’s leading exporter of corn and of soybeans; in Russia/Belarus the world’s leading exporter of wheat and of fertilizers; and in India the world’s leading rice exporter, with 40% of the world’s rice trade, and the leading exporter of pharmaceuticals.

The BRICS thus now appears as an expanding group of *politically* very diverse leading nations of the developing sector, which share the characteristic of pursuing their national interests, their self-reliance and their sovereignty, and resisting geopolitical domination of the world by the “Global NATO” powers. They have



Egypt State Information Services

One example of the technological upshift in the BRICS is the El Dabaa Nuclear Power Plant in Egypt, with Russia leading its construction. February 2023.

all the potential of a loose but successful *economic* partnership which is finding common interest in rapid scientific and technological development.

The BRICS and the nations joining them are combining, not *against* NATO or the United States, or the dollar, but *for* a physical-economic revolution which will take human economy from its current fossil fuel “platform” through to the infrastructure and technology platforms of the future—nuclear power, laser and plasma industries, fusion power, and spacefaring.

The contracting economies of Europe, especially Germany, have been left trying to implement the so-called “energy transition” full speed—smiling as their fossil fuel and fertilizer pipelines are blown up or closed—while at the same time throwing hundreds of billions of euros into military spending on the war against Russia. They are “sanctioning themselves,” and being deindustrialized by austerity and lack of energy.

If they want to wake up to



MBRSC

Another example of the ongoing technological upshift is the intensification of space cooperation between the Indian Space Research Organization and the Mohammed Bin Rashid Space Center, home to UAE’s National Space Program.

industrial progress again, they will join with the expanding BRICS group; they will develop, build, finance and export capital goods of economic progress to the developing nations.

### The Nuclear Horizon for Fossil Fuel Use

The expanding BRICS group has the potential to place new scientific frontiers and new technologies at the horizon of fossil fuel use—as the new economic platform developing from it. This enables population growth and higher standards of life and culture—rather than trying to stamp out fossil fuel use and carbon industrialization and go back to its past, of energy-diffuse, low-power technologies to support smaller populations.

For now this technological upshift is centered in the “BRICS 11” nations themselves. Key examples are the nuclear, transport, and urban development of new member Egypt, with Russia leading construction of the El Dabaa Nuclear Power Plant and providing long-term loans for it with natural gas revenues; the pursuit of a nuclear power capability by Saudi Arabia with China National Nuclear Corporation, to extend Saudi industrialization; and the 25-year “oil for technology” trade agreement now being implemented between China and Iran.

Other examples are the intensifying space cooperation between the Indian Space Research Organization (ISRO) and the UAE’s Muhammed bin Rashid Space Center in Dubai; the earlier-stage space collaboration of ISRO with Egypt; India’s MoU for satellite communications and navigation with Saudi Arabia; and South Africa’s participation announced this month in development of China’s lunar research station.

Likewise, the increasing investment of major Indian infrastructure and technology companies in the development of Russia’s Far East, and in the Northern Sea Route on Russia’s Arctic Ocean shore along which Russia will locate an increasing number of plants to produce liquefied natural gas (LNG) for shipment to China.

### A New Credit System?

Expansion of modern power, water and healthcare infrastructure and scientific capacities in nations



PR/Ricardo Stuckert

*Dilma Rousseff, President of the BRICS’ New Development Bank (NDB). Modernization depends on the rapid expansion of the NDB to become the central institution for development credit of the countries of the Global South.*

beyond the “BRICS 11”—there are 20–40 more nations wishing to join—depends on the rapid expansion of the BRICS’ New Development Bank (NDB) into the central institution for development credit of the Global South.

The NDB has vitalized its functioning this year under its new CEO, former Brazilian President Dilma Rousseff, coming out of a near-shutout of dollar capital markets and near-shutdown of lending under U.S. and European Union sanctions. After lending just \$33 billion over eight years, the NDB has targeted \$8–10 billion per year in lending immediately, by going into the national capital markets of its members in their national currencies—with the prospect, in addition, of major *sovereign* capital contributions from new NDB members UAE, Saudi Arabia, Iran, Bangladesh, and others.

The model for expanded functioning of the NDB must be Lyndon LaRouche’s International Development Bank (IDB) [conception](#) of 1975, embraced by the Non-Aligned Nations movement at its conference that year. LaRouche specified that the lending of the International Development Bank—long-term and at 1–2% rates of simple interest—should finance contracts for capital goods exports and technology transfer from advanced economies to developing nations, in the context of

trade. The infrastructure and other development projects resulting from this lending would provide assets of the Bank upon which it would base further capital raising and lending.

The 25-year “oil-for-technology” agreement now activated between China and Iran provides a clear example of how high-technology capital goods export from a nation with high physical-economic productivity, to a developing nation, can transform expanding trade into development credit. Within the BRICS now, this means particularly fossil fuels trade using the capital goods exporting country’s national currency. *EIR* [reported](#) on and described this agreement in detail Sept. 8, 2023 (“China and Iran Reach Important Oil-for-Construction Deal”).

This is essentially trade with a new currency: *productivity*. In his landmark 2000 [article](#), “Trade without Currency,” Lyndon LaRouche explained it, with reference to both Alexander Hamilton’s American System of political economy and the principles which were successful in the Bretton Woods monetary and credit system until its demise in 1971.

The New Development Bank under Rouseff’s leadership can quickly take the central place in generating new credit for introducing new technological productivity in the developing nations. It will, for example, drive electrification of Africa with natural gas turbines, nuclear power plants, and great projects of hydropower—key to the reduction of poverty and productivity of agricultural production.

### **Cultural Optimism and Productivity**

The developing sector must be fully electrified, but much more. The technologies to bypass fossil fuels for energy and shift them to industrial processes, are those of nuclear fission/fusion, and the laser-industrial revolution. This requires knowledge of LaRouche’s energy flux-density principle, of “volcanos of technology” flowing particularly from space exploration, and it requires large volumes of physical-productive credit.

The United States has just been given a lesson in how strong, economically, the process now called “BRICS” is, as a result of the optimism of populations who see technological progress, scientific advances (especially in space), and the application of those to reducing poverty.

Draconian U.S. economic warfare measures

imposed by the Biden Administration over the past year were intended literally to paralyze China’s semiconductor industry. Leading “chip” manufacturing equipment makers in the Netherlands, Japan, Taiwan and the United States were arm-twisted into cutting China off from the “extreme ultraviolet” technology for making chips of 7 nanometers’ dimension; American citizens working in China with such expertise were forced to leave. This was arrogantly pronounced to put China—the largest semiconductor market and producer—several chip generations behind the technological leaders for at least a decade.

Instead, these measures met an optimistic response from a nation which firmly believes in the power of science and the rewards of invention. Chinese producers, with government support, not only increased their market dominance in the older, 20- and 14-nanometer chips which are the most widely used; within a year China’s Semiconductor Manufacturing International Corporation (SMIC) was producing 7-nanometer chips for Huawei smartphones and surveillance cameras.

American Commerce Secretary Gina Raimondo expressed her shock and disappointment. Richard Thurston, a former executive of the Taiwan Semiconductor Manufacturing Co., the world’s top producer, [told](#) a trade publication:

I never had any doubt that they would be doing 7 [nanometers], and I still don’t have any doubt that they’ll do 5 nm, without the EUV [extreme ultraviolet —ed.] tools.

And the top semiconductor equipment producers, compelled to take part in bans against China, have complained that they are now losing market to China.

As Lyndon LaRouche explained two decades ago in “Trade without Currency,” the strength of the U.S. dollar as reserve currency during the Bretton Woods period 1945–65 was based on the United States’ hard-commodity trade surplus, plus its gold reserves—but above all, on its *economic productivity*. Credit in the Bretton Woods system supported the transfer of high technology through trade. Now the United States attempts to ban and deny technology, without success. It should join with the BRICS in industrialization of the developing nations.